# **South Carolina General Assembly**

122nd Session, 2017-2018

# H. 5001

### STATUS INFORMATION

General Bill

Sponsors: Rep. Clary

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Introduced in the House on February 22, 2018

Currently residing in the House Committee on Labor, Commerce and Industry

Summary: Clean Energy Access Act

# HISTORY OF LEGISLATIVE ACTIONS

Date	Body	Action Description with journal page number
2/22/2018	House	Introduced and read first time ( <u>House Journal-page 63</u> )
2/22/2018	House	Referred to Committee on Labor, Commerce and Industry (House
		Journal-page 63)

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# **VERSIONS OF THIS BILL**

2/22/2018

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9	A BILL
10	TO AMEND THE CODE OF LAWG OF GOLITH CAROLINA
11	TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA,
12	1976, BY ADDING CHAPTER 41 TO TITLE 58 SO AS TO
13	ENACT THE "CLEAN ENERGY ACCESS ACT", TO
14	REQUIRE THAT ELECTRICAL UTILITIES PROVIDE
15	PARTICIPATING CUSTOMERS WITH ACCESS TO
16	RENEWABLE ENERGY PROGRAMS, TO ESTABLISH
17	PROCEDURES FOR PARTICIPATING CUSTOMERS TO
18	SELECT RENEWABLE ENERGY FACILITIES FROM WHICH
19	ELECTRICAL UTILITIES ARE TO PROCURE ENERGY,
20	CAPACITY, AND ENVIRONMENTAL ATTRIBUTES ON
21	BEHALF OF PARTICIPATING CUSTOMERS, AND TO
22	DEFINE RELEVANT TERMS.
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24	Be it enacted by the General Assembly of the State of South
25	Carolina:
26	
27	SECTION 1. Title 58 of the 1976 Code is amended by adding:
28	(CHAPTED 41
29	"CHAPTER 41
30	A
31	Access to Clean Energy for South Carolina Businesses and
32	Institutions
33	Cardian 50 41 10 This shows a see 1 24 1 as the 601-
34	Section 58-41-10. This chapter may be cited as the 'Clean
35	Energy Access Act.'
36	Continue 50 41 20 According this decree
37	Section 58-41-20. As used in this chapter:
38	(1) 'Commission' means the South Carolina Public Service
39	Commission.  (2) 'Electrical utility' is defined as set forth in Section
40	(2) 'Electrical utility' is defined as set forth in Section
41	58-27-10(7); however, electrical utilities serving less than one
42	hundred thousand customer accounts are exempt from the

- provisions of this chapter. For purposes of this chapter, and notwithstanding any provision of law to the contrary, the South Carolina Public Service Authority constitutes an electrical utility. A renewable energy supplier participating in an electrical utility's voluntary renewable energy program pursuant to this chapter is not considered an electrical utility for purposes of this chapter.
  - (3) 'Eligible customer' means a person, corporation, or legal entity with a contract demand greater than or equal to one megawatt at a single metered location or aggregated across multiple metered locations.

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- (4) 'Generation credit' means a credit applied by an electrical utility to the bill of a participating customer that is equal to the value of the electrical utility's system of the energy and capacity provided by a renewable energy supplier under a power purchase agreement, based on the electrical utility's avoided costs.
- (5) 'Participating customer' means an eligible customer that elects to have a portion or all of its electricity needs supplied by a voluntary renewable energy program pursuant to the provisions of this chapter.
- (6) 'Participating customer agreement' means an agreement between a participating customer and an electrical utility establishing the customer's right to participate in the electrical utility's voluntary renewable energy program.
- (7) 'Power purchase agreement' means an agreement between an electrical utility and a renewable energy supplier for the purchase and sale of energy, capacity, and environmental attributes from the renewable energy supplier's renewable energy facility pursuant to this chapter.
- (8) 'Renewable energy contract' means a contract between a participating customer and a renewable energy supplier that commits the parties to participating in an electrical utility's voluntary renewable energy program in accordance with the terms of an applicable power purchase agreement and participating customer agreement.
- (9) 'Renewable energy facility' means a facility for the 36 production of electrical energy that utilizes a renewable generation resource as defined in Section 58-39-120(F), that is placed in service after the effective date of this chapter, and for which costs have not been included in an electrical utility's rates.
- 40 (10) 'Renewable energy supplier' means the owner or operator 41 of a renewable energy facility, including the affiliate of an electrical utility that contracts with a participating customer.

(11) 'Voluntary renewable energy program' means a tariff filed with the commission by an electrical utility that enables a participating customer to receive and pay for electric service, including the energy and environmental attributes specified in the renewable energy contract, from the electrical utility pursuant to the terms of the tariff.

Section 58-41-30. (A) Each electrical utility shall file a voluntary renewable energy program for review and approval by the commission within ninety days after the effective date of this act. The program shall provide that:

- (1) the participating customer has the right to select the renewable energy facility from which the electrical utility shall procure energy, capacity, and environmental attributes on behalf of the participating customer and to negotiate the power purchase agreement purchase price and contract length with the renewable energy supplier;
- (2) the electrical utility shall enter into a power purchase agreement with the renewable energy supplier to purchase energy, capacity, and environmental attributes for the benefit of the participating customer. The renewable energy supplier and the participating customer in the renewable energy contract shall agree to the purchase price and the contract length;
- (3) the renewable energy contract, power purchase agreement, and participating customer agreement must be of equal duration, ranging between two years and twenty years, as agreed to by the participating customer and the renewable energy supplier;
- (4) in addition to paying a retail bill calculated pursuant to the rates and tariffs that would be otherwise applicable to the participating customer if the customer were not participating in the program, reduced by the amount of the generation credit, a participating customer shall reimburse the electrical utility on a monthly basis for the amount paid by the electrical utility to the renewable energy supplier for the purchase of the output of its renewable energy facility for the benefit of the participating customer, plus an administrative fee not to exceed five hundred dollars per month, regardless of the participating customer's number of aggregated metered locations;
- (5) the electrical utility shall retire any environmental attributes associated with the generation of renewable energy procured pursuant to the program on behalf of the participating customer; and

- (6) the electrical utility is not liable for costs related to participating customer or renewable energy supplier default.
- (B) In addition to terms negotiated between the participating customer and the renewable energy supplier in a renewable energy contract, each electrical utility's voluntary renewable energy program shall provide standard terms and conditions for the participating customer agreement and the power purchase agreement. These standard terms and conditions are subject to commission review and approval.
- (C) A participating customer is eligible to annually procure an amount of energy equal to one hundred twenty-five percent of its most recent annual energy usage through the voluntary renewable energy program.
- (D) An electrical utility may not charge any nonparticipating customers for any direct costs incurred pursuant to the provisions of this chapter.
- (E) An electrical utility shall comply with the requirements of this chapter until the aggregated amount of installed nameplate generation capacity procured pursuant to this chapter equals ten percent of the previous five-year average of the electrical utility's South Carolina retail peak demand. Renewable electricity procured on behalf of customers that began service with the electrical utility after the effective date of this act is not included in the ten percent calculation."

26 SECTION 2. This act takes effect upon approval by the Governor.

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